

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Competitive Product Prices
Priority Mail Contracts 48 (MC2013-16)
Negotiated Service Agreement

Docket No. CP2013-15

PUBLIC REPRESENTATIVE COMMENTS ON
POSTAL SERVICE AMENDMENT TO
PRIORITY MAIL CONTRACT 48

(July 23, 2013)

The Public Representative hereby provides comments pursuant to Order No. 1779.¹ In that Order, the Commission established the above referenced docket to receive comments from interested persons, including the undersigned Public Representative, on a Postal Service notice of an amendment to Priority Mail Contract 48.² The amendment changes the prices and parameters applicable to Priority Mail packages considered "Contract Packages" under the contract. Notice, Attachment A; Order No. 1779 at 2. The Commission previously approved the addition of Priority Mail Contract 48, which features rates not "of general applicability," to the competitive product list in Docket Nos. MC2013-16 and CP2013-15.³

The Postal Service's notice includes a redacted version of the amendment as Attachment A, with an unredacted version filed under seal. Attachment B of the notice consists of a statement from Steven R. Phelps, required by 39 C.F.R. § 3015.5(c)(2), certifying that the amended prices comply with 39 U.S.C. § 3633(a).

¹ PRC Order No. 1779, Notice and Order Concerning Amendment to Priority Mail Contract 48, July 16, 2013.

² Notice of United States Postal Service of Change in Prices Pursuant to Amendment to Priority Mail Contract 48, July 12, 2013 (Notice).

³ PRC Order No. 1548, Order Adding Priority Mail Contract 48 to the Competitive Product List, November 19, 2012, at 4.

The Postal Service maintains that the prices initially negotiated in Priority Mail Contract 48 applicable to Priority Mail packages during the first year have changed “as contemplated by the contract’s terms.” Notice at 1. In this regard, Chairman’s Information Request (ChIR) No. 1 seeks clarification as to whether Critical Mail letters and flats remain eligible for mailing under the contract as amended.⁴ The Postal Service also states that the amendment will become effective “one day after the day that the Commission completes its review of this filing.” Notice at 1.

COMMENTS

The Public Representative has reviewed the contract amendment, the initial contract filed in Docket Nos. MC2013-16 and CP2013-15, and the financial model filed under seal that accompanies the Postal Service’s notice in the instant proceeding. Based upon that review, the Public Representative concludes that the amended contract in the first year should generate sufficient revenues to cover costs and thereby satisfy 39 U.S.C. § 3633(a).

The Public Representative respectfully submits the foregoing comments for the Commission’s consideration.

James F. Callow
Public Representative

901 New York Ave. NW
Washington, DC 20268-0001
202-789-6839
callowjf@prc.gov

⁴ Chairman’s Information Request No. 1, July 16, 2013,